

**Provides a Lessee or a Lender to a Lessee with indemnification in the event that the lessor's negative covenants contained in the Lease are not binding on the Lessor and his successors.**

**ENDORSEMENT**

Attached to Policy No. SAMPLE

Issued by \_\_\_\_\_

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the covenants of the lessor in favor of the lessee set out in Section(s) \_\_\_\_, \_\_\_\_ and \_\_\_\_ of the lease recorded \_\_\_\_\_ to refrain from doing or permitting to be done some act relating to the use of the real property, or some part thereof, described as \_\_\_\_\_ to be binding, as shown by the public records, upon the lessor and each successive owner, during his or her ownership, of any portion of such real property, and upon each person having any interest therein derived from the lessor or through any such successive owner thereof, except a mortgagee, or trustee or beneficiary of a deed of trust, while not in possession in such capacity.

Provided, however, that no insurance is hereby given should such covenants fail to bind a successive owner who derives title through: a) a tax deed; b) a foreclosure of a bond or assessment; c) enforcement of a federal tax lien; d) bankruptcy, as trustee or otherwise; e) a right or lien existing prior to the date of recording of the instrument containing said covenants.

This endorsement does not insure against loss or damage which the insured may sustain by reason of the non-performance of any said covenants.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.